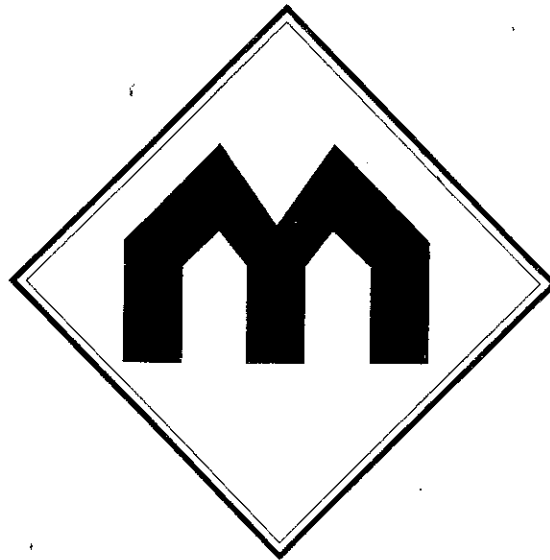


44TH ANNUAL REPORT

2011 - 2012



MALTEX MALSTERS LIMITED

**Regd. Office :
RAUNI, PATIALA**





ANNUAL REPORT

Year Ended March 31, 2012

Board of Directors :

KANTA LABROO (Managing Director)
B.M. LABROO
LOVELEENA LABROO
SANJAY LABROO
KALYAN GANGULY
AJAY LABROO
TEJ BAHADUR SARAF
P.A. MURALI

Auditors :

A. SHARMA & CO.
(CHARTERED ACCOUNTANTS)
NEW DELHI

Regd. Office :

MALTEX HOUSE
VILL. RAUNI, PATIALA

Bankers :

AXIS BANK, RAJBAHA ROAD, PATIALA
STATE BANK OF INDIA, THE MALL, PATIALA.



Notice is hereby given that the Forty Fourth Annual General Meeting of the Members of Maltex Malsters Limited will be held on Friday 21st September 2012 on 11.30 Hours at Maltex House, Rauni, Patiala to transact the following business:

- 1) To receive consider and adopt the Directors' Report, Auditor's Report and the Audited Balance Sheet and Profit and Loss Account for the year ended 31st March 2012.
- 2) To declare a dividend on Equity Shares.
- 3) To Appoint Director in place of Mr. Kalyan Ganguly who retires by rotation and being eligible for re-appointment.
- 4) To Appoint Director in place of Ms. Loveleena Labroo who retires by rotation and being eligible for re-appointment.
- 5) To Appoint Director in place of Mr. Sanjay Labroo who retires by rotation and being eligible for re-appointment.
- 6) To Appoint Director in place of Mr. Ajay Labroo who retires by rotation and being eligible for re-appointment.

SPECIAL BUSINESS:

- 7) To Appoint Auditor and to fix their remuneration, and to pass, with or without modification, the following resolution, which will be proposed and **ORDINARY RESOLUTION.**

"**RESOLVED** that M/s A Sharma & Co. Chartered Accountants, be and are hereby appointed as Auditors of the Company from the conclusion of the this Annual General Meeting until the conclusion of the next annual General meeting of the Company at a remuneration to be fixed by the Board of Directors of the Company or a Committee thereof"

- 8) To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution.

"**RESOLVED** that M/s Anil Jindal & Associates, Company Secretaries be and are hereby appointed to obtain the Secretarial Compliance certificates for the year ending 31.3.2013. They will hold the office from the conclusion of the Annual General Meeting till the conclusion of the next AGM of the Company at remuneration fixed by the Board of Directors of the Company or a Committee thereof.

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : NEW DELHI
DATE : 23rd JULY, 2012

B M LABROO
Director

KANTA LABROO
Managing Director



NOTES:

- 1) A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and on a poll to vote instead to himself, Such proxy need not be a member of the Company, Proxies in order to be effective must be received by the Company not less than 48 Hours before the time for holding the meeting.
- 2) Members are requested to notify immediately and change in their address to the Company.
- 3) In all correspondence with the Company, members are requested to quote the folio numbers.
- 4) Consequent upon amendment in Section 205A of the Companies Act, 1956, the amount of Dividend remaining unpaid or unclaimed for a period of Seven years shall be transferred to the Investors Education and protection fund of the Central Government. Members who have not yet encashed their dividend warrant (s) for the financial year 31.3.2005 or for any subsequent years are requested to make their claims to the Company.
- 5) The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the special business stated above is annexed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 :

Item No.7: As per provisions of Section 383A read with the companies (Appointment & Qualification of Secretary) Rules, 1988 lays down that every company having a paid up share capital of Rs.5 Crores and above shall have a whole time Secretary. The Section now provides further that where a Company is not required to have whole time Secretary and having a paid up shares capital of Rs.10 lacs or more shall file with the Registrar of Companies a certificate from a Secretary in whole time practice as to whether the Company has complied with all the provision of the Act and a copy of such certificate shall be attached with the Director's Report. M/s Anil Jindal & Associates is a Company Secretary in whole time practice . Accordingly this resolution is placed before the members of the Company for their consent and commend passing of this resolution.

None of the Directors are interested in the above resolution.

BY ORDER OF THE BOARD OF DIRECTORS

PLACE : NEW DELHI
DATE : 23rd JULY, 2012

B M LABROO
Director

KANTA LABROO
Managing Director

**DIRECTOR'S REPORT**

Dear Shareholders,

Yours Directors have pleasure in presenting the Forty Fourth Annual Report along with the Audited Statement of Accounts for the year ended March 31, 2012.

FINANCIAL RESULTS :

The working results of your Company for the year under review may be summarized as under:-

	31.3.2012 Rs.	31.3.2011 Rs.
Profit Before Depreciation	70,90,784	65,99,050
Less: Depreciation	23,51,815	29,33,769
Profit for the year	47,38,969	36,65,281
Less : Provision for Income Tax	16,18,564	1,358,617
Less : Provision for MAT	—	—
Profit/(Loss) for the year	31,20,405	23,06,664
(Less)/Add: Provision for Deferred Tax Asset	1,31,778	(2,99,563)
Profit/(Loss) for the year	32,52,183	20,07,101
Additional Demand for an Earlier Year	39,872	—
	32,12,311	20,07,101
Add : Balance Brought forward from Previous Year	20,77,528	9,94,828
Profit / (Loss) for the year	52,89,839	30,01,929
APPROPRIATION		
Proposed Dividend	9,00,000	4,50,000
Tax on Dividend	1,46,003	73,001
Transfer to General Reserve	9,00,000	4,01,400
Balance Carried to Balance Sheet	33,43,836	20,77,528

DIVIDEND

Your Directors are pleased to recommend a Dividend @ Rs. 20/- per equity share for the year 2012 on 45,000 equity shares of Rs. 100/- each. The proposed dividend, subject to approval of shareholders in the ensuing Annual General Meeting of the Company, would result in appropriation of Rs. 10,46,003/- (including Corporate Dividend Tax of Rs. 1,46,003/-).

OPERATIONS:

Operations of the Company during the period under review remain satisfactory.



DEMATERIALISATION OF SHARES

Your Company has entered into agreement with Central Depository Services (India) Limited (CSDL) for the purpose of dematerialisation of Company's equity shares in accordance with the provisions of Depositories Act, 1996. The Registrars are Integrated Enterprises India Limited, 30, Ramana Residency, 4th Cross, Sampige Road, Maileswaram, Bangalore - 560003.

FUTURE PROSPECTS

Barring unforeseen circumstances your Director expects the prospects for the current year to be satisfactory.

DIRECTORS

In accordance with the provisions of Section 256 of the Companies Act, 1956, read with the provisions in the Articles of Association of the Company Mr. Kalyan Ganguly, Ms. Loveleena Labroo, Mr. Sanjay Labroo & Mr. Ajay Labroo are due to retire by rotation and being eligible, offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2A) of the Companies Act, 1956 the Directors Confirm that

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating the material departures;
- ii) Appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year on 31st March, 2012 and of the profit and loss of the Company for that period.
- iii) Proper and sufficient care had been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv) The Annual accounts had been prepared on a 'going concern' basis.

SECRETARIAL COMPLIANCE CERTIFICATE

Your Directors would like to inform the members that they appointed M/s Anil Jindal & Associates, Company Secretaries to obtain compliance certificate for the financial year ended 31st March, 2012 in last AGM. M/s Anil Jindal & Associates have submitted their certificate for the period under report.

Further Your Directors propose to re-appoint M/s Anil Jindal & Associates to obtain Secretarial Compliance Certificate for the year ending 31st March, 2013.

**INDUSTRIAL RELATIONS**

Industrial Relations during the year under review continued to be cordial.

AUDITORS REPORT

M/s A Sharma & Co the present auditors of the Company retire at the ensuing Annual General meeting and being eligible offer themselves for re-appointment.

CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION

Particulars as required to be disclosed as per the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out in the statement attached hereto in Annexure and form part of this report.

FOREIGN EXCHANGE EARNING & OUTGO

There is no direct outgo of foreign exchange; Your Company has no Income in foreign exchange.

PARTICULARS OF EMPLOYEES

There are no employees who are in receipt of the Gross Annual remuneration which require disclosure under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975 as amended.

ACKNOWLEDGEMENT

Yours Directors express their gratitude to the Shareholders for the trust placed in the Company, Your Director would like to express their appreciation for Co-operation guidance and support received from the Bankers and Government authorities, The Board also takes this opportunity to place its appreciation for the contribution made by the employees at all levels.

FOR AND ON BEHALF OF THE BOARD.

PLACE : NEW DELHI
DATE : 23rd JULY, 2012

B M LABROO
Director

KANTA LABROO
Managing Director



ANNEXURE

STATEMENT UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956

A. Conservation of Energy :

Energy conservation measures taken by the Company.

- (a) **Electrical Energy :** Focus on Optimal work in process during the winter months -reducing refrigeration load-savings on energy consumption. We have installed and successfully commissioned Vapor Absorption Machine which consume lesser power viz a viz earlier mode of Ammonia Compressors.
- (b) **Fuel Oil Consumption :** We have installed Rice Husk Fire Thermo Pack which is indirect heating System ensuring saving in Fuel as earlier we are using HSD/FO
- (c) **Water Conservation :** We are consuming minimum possible water for the production of malt.

B. Technology Absorption :

We are working to bring technology in the Germination Boxes in order to have better quality malt

C. Research and Development :

The Company has continued its Research & Development (R & D) Programmed in the area of development of two row malting variety of Barley.

D. Foreign Exchange Inflow and outflow

Foreign Exchange earned	:	Rs NIL
Foreign Exchange Used	:	Rs NIL



SECRETARIAL COMPLIANCE CERTIFICATE
(In terms of section 383 A (1) the Companies Act, 1956)

To

The Members

Maltex Malsters Limited

Maltex House, Village Rauni, Distt. Patiala

CIN No. U15137PB1968PLC002895

Auth. Capital : 100.00 Lacs

Paid up Capital : 45.00 Lacs

We have examined the registers, records, books and papers of **Maltex Malsters Ltd.** (the Company) a Company registered under the Companies Act, 1956 and having its Regd. Office at Maltex house, Rauni, Patiala as required to maintained under the Companies Act, 1956 (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year :

1. The Company has kept and maintained all registers ad stated in Annexure 'A' to this certificate, as per the provision and the rules made there under,
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies.
3. The Company being a public Limited Company has the minimum prescribed paid up Capital.
4. The Board of Directors duly met **Six (6) times on 26.04.2011, 27.07.2011, 27.09.2011, 25.11.2011, 27.12.2011 and 29.03.2012** in respect of which proper notices were given and the proceedings were properly recorded and signed in the minutes books maintained for the purpose
5. The Company has not closed its register of Members.
6. The Annual General meeting for the financial year ended on **31st March 2010 was held on 27th September, 2011** after giving due notice to the members of the Companies and the resolutions passed there at were duly recorded in minutes books maintained for the purpose.
7. **During the financial year under review, One Extra-Ordinary General Meeting was held on 26.12.2011 to transact the business related to the re-appointment of Smt. Kanta Labroo as a Managing Director after giving due notice to the members of the Company and the resolutions passed there at were duly recorded in minutes book maintained for the purpose.**
8. The Company has not advanced any loan to its director or persons or firms or companies referred to u/s 295 of the Act.



9. On the basis of information and explanation provided to us by the management of the company, we can not assess the nature of contracts which are falling within the preview of section 297 of the Act.
10. The Company has made entries in the register maintained under Section 301 of the Act.
11. The Company has not obtained any approvals of Board of Directors, Members or Central Govt. pursuant to the provisions of Section 314 of the Act, wherever it applicable.
12. The Company has not issued any duplicate share certificate during the year.
13. During the year the Company has :-
 - i) Neither allotted the fresh shares nor registered any transfer of shares and as such was not required to deliver the respective certificate to the allottees on allotment of securities as well as on transfer of securities.
 - ii) The Company has opened a separate bank account and deposit the separate money for the dividend declared for the financial year 31.03.2011.
 - iii) Paid the dividend to all the shareholders declared for the financial year 31.03.2011.
 - iv) No unpaid/unclaimed dividend, application money due for refund, matured deposits matured debenture and the interest accrued thereon for a period of seven year which is required to be transferred to Investors Education and Protection Fund.
 - v) Duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and there was no appointment or removal of any directors during the under scrutiny.
15. **During the financial year under review, the Company has re-appointed Smt. Kanta Labroo as a Managing Director for a period of five year w.e.f. 29.11.2011 after complying with relevant provisions of the Companies Act, 1956.**
16. The Company has not appointed any sole-selling agents during the financial year...
17. The Company has not obtained any approvals from the Central Government, Registrar or Such other authorities as may be prescribed under the various provision of the Act, wherever it may applicable.
18. The Directors have disclosed their interest in other firms, Companies to the Board of Directors pursuant to the provisions of the act and rules made there under.
19. The Company has not issued any equity shares during the financial year.
20. The company has not bought back any share during the financial year.
21. The Company has not redeemed any preference share/debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, right shares and bonus share pending registration or transfer of shares.
23. During the financial year under scrutiny, the Company has not accepted any fresh deposits falling under sections 58A and 58AA read with Companies (Acceptance of Deposits) Rule 1975.



24. The Company has not made any borrowings during the financial year.
25. The Company has not made any investments, give guarantee or securities to other body corporate in accordance with the provisions section 372A of the Act and as such no entry is required to be recorded in the respective register.
26. The Company has not altered provisions of its Memorandum of Association with respect to situation of Company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provision of the Memorandum of Association with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provision of the Memorandum of Association with respect to name of the Company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum of Association with respect to share capital of the company during the year under scrutiny.
30. The Company has not altered the Articles of Associations during the year under scrutiny.
31. There was no prosecution initiated against or show cause notice received by the company for alleged offence under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The company has not maintained any trust of Provident Fund in accordance with the provisions of section 418 of the Act and as such provisions of such section are not applicable.

For Anil Jindal & Associates
(Company Secretaries)

Sd/-
(ANIL JINDAL)
PROPRIETOR
(C.P. No.2918)

Place: Ludhiana
Dated 03.05.2012



ANNEXURE 'A'

Registers and maintained by the Company (Maltex Malsters Limited)

1. Register of Members U/s 150 (1).
2. Minutes of the Meeting of Board of Directors and of General Meetings U/s 193 (1).
3. Register of Directors and Managing Directors U/s 303 (1).
4. Register of Directors shareholding U/s 307 (1).
5. Books of Accounts & Register of Fixed assets U/s 209.
6. Registers and Returns U/s 163.
7. Register of Transfer.
8. Register of Particulars of Contracts in which Directors' are interested U/s 301.

ANNEXURE 'B'

Forms and returns as filed by the Company (Maltex Malsters Limited) with the Registrar to Companies or other authorities during the financial year ended on 31st March, 2012.

Sr. No.	Form No Return filed U/s	Year	Date of Filing	Whether Filed in time	If Delay Additional fee paid
1.	Annual Return 159	31.03.2011	26.12.2011	No	Yes
2.	Balance Sheet 220	31.03.2011	26.12.2011	No	Yes
3.	Compliance 383A(1)	31.03.2011	26.12.2011	No	Yes
4.	Form 23	26.12.2011	25.01.2012	Yes	No
5.	Form 25C	26.12.2011	25.01.2012	Yes	No

Note : It is stated that the compliance of all the applicable provisions of the Companies Act, 1956 is the responsibility of the Management. Our Examination on a test check basis was limited to the procedures followed by the Company for ensuring the compliance with the said provisions. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management conducted affairs. We further state that this is neither an audit nor an expression on the financial activities/statements of the Company.

**For Anil Jindal & Associates
(Company Secretaries)**

Sd/-

**(ANIL JINDAL)
PROPRIETOR
(C.P. No.2918)**

**Place: Ludhiana
Dated 03.05.2012**

**AUDITOR'S REPORT**

To the Members of
MALTEX MALSTERS LIMITED

We have audited the attached Balance Sheet of **MALTEX MALSTERS LIMITED**, as at 31st March, 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion of these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law, have been kept by the Company so far as appears from our examination of those books;
- (c) The Balance Sheet, the Profit and Loss Account dealt with by this report are in agreement with the books of account;
- (d) On the basis of written representations received from the Directors, as on 31st March 2012, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March, 2012 from being appointed as director under Section 274(1) (g) of the Companies Act, 1956.
- (e) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in so far it relates to Balance Sheet, of the state of affairs of the Company as at March 31st 2012;
 - (ii) in so far it relates to the Profit and Loss Account, of the Profit for the year ended on the date; and

PLACE: NEW DELHI
DATED: 05-05-2012

FOR A SHARMA & CO.
CHARTERED ACCOUNTANTS
F.R.N. 002642N

(ANIL SHARMA)
PARTNER
M.No. 81658



**ANNEXURE TO THE AUDITOR'S REPORT
TO THE MEMBERS OF MALTEX MALSTERS LIMITED**

(referred to in paragraph 3 of our Report of even date)

1. In respect of the fixed assets: -
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) As per information and explanations given to us, the fixed assets have been physically verified by the management at reasonable intervals, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies between the book records and the physical inventory were noticed.
 - (c) The Company has not disposed of substantial part of fixed assets during the year.
2. In respect of its inventories, as per information and explanations given to us :
 - (a) The inventories have been physically verified by the management at regular intervals during the year.
 - (b) In our opinion, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relations to the size of the Company and the nature of its business.
 - (c) The company has maintained proper records of inventories. There were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3.
 - (a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under Section 301 of the Act.
 - (b) The Company has taken unsecured loans of Rs. 5 lakhs from two parties covered in the Register maintained under section 301 of the Companies Act, 1956 in an earlier year.
 - (c) In our opinion, the rate of interest and other terms and conditions on which loan has been taken from other parties covered in the Register maintained under section 301 of the Companies Act, 1956 are not prima facie prejudicial to the interest of the Company.
 - (d) The company is regular in payment, where ever applicable of the principal amount and interest thereon.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of assets. Purchase of inventory and sale of goods. Further, on the basis of our examination, and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control procedures.
5. In our opinion and according to the information and explanations given to us, transactions that need to be entered into the Register maintained under Section 301 of the Companies Act, 1956, have been so entered. In our opinion and according to the information and explanations given to us, the transactions exceeding Rs 5 lakhs each with a Company has been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public.
7. In our opinion, the Company has an internal audit system, which is commensurate with its size and nature of business.
8. To the best of our knowledge, the Central Government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.
9.
 - (a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the Company is regular in depositing undisputed statutory dues including Income Tax, Provident Fund and other material statutory dues as applicable with the appropriate authorities.
 - (b) According to the information and explanations given to us and records of the company examined by us, the particulars of dues of income tax and Central Excise as at 31st March, 2012, which have not been deposited on account of a dispute are as follows-





Name of the statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	31,95,635	2004-05	High Court of Punjab and Haryana
Income Tax Act, 1961	Income Tax	12,22,300	2006-07	High Court of Punjab and Haryana
Income Tax Act, 1961	Income Tax	19,97,703	2007-08	High Court of Punjab and Haryana
Income Tax Act, 1961	Income Tax 271 (1)(c)	9,13,222	2007-08	CIT (Appeals), Patiala
Income Tax Act, 1961	Income Tax	16,50,030	2008-09	High Court of Punjab and Haryana, Chandigarh
Income Tax Act, 1961	Income Tax	16,89,764	2009-10	CIT (Appeals), Patiala
Chapter V of the Finance Act, 1994	Service Tax	81,20,856+ Penalty of equal amount	1-10-2003 to 30-6-2009	CESTAT, New Delhi
Chapter V of the Finance Act, 1994	Service Tax	7,36,116+ Penalty U/s 75, 76 & 77	1-7-2009 to 31-3-2010	The Commissioner, Central Excise (Appeal), Chandigarh
Chapter V of the Finance Act, 1994	Service Tax	10,03,805.00+ Penalty U/s 75, 76 & 77	1-4-2010 to 31-3-2011	The Commissioner, Central Excise (Appeal), Chandigarh

10. The Company has no accumulated losses as at 31st March 2012 and has not incurred cash losses during the financial year ended on that date or in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution, bank or to debenture holders during the year.
12. According to the information and explanations given to us the Company has not granted loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund, nidhi, mutual benefit or a society. Accordingly, paragraph 4 (xiii) of the Order is not applicable.
14. According to the information and explanations given to us and on the basis of our examination of the books of account the Company has not traded any shares, securities, debentures and other securities during the year.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others, from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the term loan was applied for the purpose for which the loan was obtained.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956 during the year.
19. The Company has not raised any money by public issue during the year.
20. According to the information and explanations given to us, during the year, no fraud on or by the Company has been noticed or reported.

FOR A SHARMA & CO.
CHARTERED ACCOUNTANTS
F.R.N. 002642N

PLACE: NEW DELHI
DATED: 05-05-2012

(ANIL SHARMA)
PARTNER
M.No. 81658





BALANCE SHEET AS AT 31st MARCH, 2012

Particulars	Note	As at 31.3.2012	As at 31.3.2011
	No.	Rs.	Rs.
I. EQUITY AND LIABILITIES			
1. SHAREHOLDER'S FUNDS			
a) Share Capital	2	4,500,000	4,500,000
b) Reserve & Surplus	3	24,412,908	22,246,600
2. Non-Current Liabilities			
a) Other Long term liabilities	4	2,310,512	2,392,032
b) Long-term provisions	5	1,295,277	1,295,277
3. Current Liabilities			
a) Short-term borrowings	6	500,000	650,000
b) Trade payables	7	6,784,533	4,865,267
c) Other current liabilities	8	4,223,874	97,540
d) Short-term provisions	9	2,664,566	1,881,618
TOTAL		46,691,670	37,928,334
II. ASSETS			
1. Non-current assets			
a) Fixed assets			
(i) Tangible assets	10	11,333,398	13,685,212
b) Deferred tax assets (net)	11	335,007	203,229
c) Long term loans and advances	12	1,605,210	1,608,870
d) Other non-current assets	13	18,350,692	15,858,861
2. Current assets			
a) Inventories	14	7,740,333	—
b) Trade receivables	15	—	1,658,071
c) Cash and cash equivalents	16	1,666,678	122,155
d) Short-term loans and advances	17	1,868,566	528,850
e) Other current assets	18	3,791,786	4,263,086
TOTAL		46,691,670	37,928,334

Significant Accounting Policies & other notes to accounts
Notes to Accounts form an integral part of the Financial Statements

1

KANTA LABROO
Managing Director

B M LABROO
Director

AS PER OUR SEPARATE REPORT OF EVEN DATE ANNEXED
FOR A SHARMA & CO.
CHARTERED ACCOUNTANTS
F.R.N. 002642N

Place : NEW DELHI
DATED: 05-05-2012

(ANIL SHARMA)
PARTNER
M.NO. 81658



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	Year Ended 31.3.2012		Year Ended 31.3.2011	
		Rs.	Rs.	Rs.	Rs.
I. Revenue from operations	19		90,103,767		5,948,234
II. Other Income	20		2,865,633		2,096,312
III. Total Revenue (I+II)			92,969,400		8,044,546
IV. Expenses :					
Processing Expenses	21		68,430,533		—
Changes in inventories of finished goods work-in-process and stock-in-trade			(3,177,437)		—
Employee benefit expenses	22		17,601,981		171,019
Financial costs	23		131,889		93,700
Administrative & Other Expenses	24		2,891,650		1,180,777
Depreciation	10		2,351,815		2,933,769
Total Expenses			88,230,431		4,379,265
V. Profit before exceptional and extraordinary items and tax (III-IV)			4,738,969		3,665,281
VI. Exceptional Item			—		—
VII. Extraordinary Item			—		—
VIII. Profit before tax			4,738,969		3,665,281
IX. Tax expense :					
1) Current tax		1,618,563		1,358,617	
2) Deferred tax		(131,777)		299,563	
3) Additional demand for an earlier year		39,872	1,526,658	—	1,658,180
X. Profit for the year from continuing operations (VIII-IX)			3,212,311		2,007,101
XI. Profit (loss) from discontinuing operations			—		—
XII. Profit for the year			3,212,311		2,007,101
XIII. Earning per equity share :					
1) Basic			71		45
2) Diluted			—		—

Significant Accounting Policies & other notes to accounts
Notes to Accounts form an integral part of the Financial Statements

1

KANTA LABROO
Managing Director

B M LABROO
Director

AS PER OUR SEPARATE REPORT OF EVEN DATE ANNEXED
FOR A SHARMA & CO.
CHARTERED ACCOUNTANTS
F.R.N. 002642N

Place : NEW DELHI
DATED: 05-05-2012

(ANIL SHARMA)
PARTNER
M.NO. 81658



Notes annexed to and forming part of the accounts for the year ended 31-03-2012.

NOTE-1 : SIGNIFICANT ACCOUNTING POLICIES & OTHER NOTES TO ACCOUNTS

1.1 Significant Accounting Policies

- a) **Basis of Accounting :** The financial statements are prepared under historical cost convention on accrual basis and in accordance with the requirement of the Companies Act, 1956.
- b) **Fixed Assets :** All fixed Assets are stated at cost less depreciation. Cost includes taxes, duties, freight and other identifiable expenses directly related to the asset.
- c) **Depreciation :** Depreciation is provided on written down value method at rates specified in Schedule XIV to the Companies Act, 1956 on prorata basis.
- d) **Inventories :** Store & Spares and production waste are valued at lower of cost or net realisable value. There was no stock of raw materials, finished Goods and stock in process as the company is only processing for other for which raw materials are being supplied by the party.
- e) **Revenue Recognition**
 - 1) Accrual of processing charges is based on the terms of payments mentioned in the Malt Agreement.
 - 2) In terms of the Malt Agreement with the party, all production waste generated in the production process is in company's account.
 - 3) Accrual of interest income is based on the terms settled with the customers.
- f) **Employee Benefits**
 - (a) Contribution to Provident Fund/E.S.I. are made at pre-determined rates to the Government and charged to revenue.
 - (b) The contribution in respect of Gratuity Fund is made to L.I.C. based on actuarial valuation carried out at the year end, which is charged to revenue including shortfall, if any, on such actuarial valuation.
- g) **Taxation**

Provision for income tax comprises of current tax and deferred tax charged or realised. The deferred tax charge or credit is recognised using current tax rates. Deferred tax assets arising from unabsorbed depreciation or carry forward losses are recognised only if there is virtual certainty of realisation of such amounts. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Such assets are to be reviewed at each Balance Sheet date to reassess the realisability.
- h) **Impairment of Assets**

Impairment is ascertained at each Balance Sheet date in respect of Cash Generating Units for which any indication of any possible impairment exist. An impairment loss is recognized if the carrying amount of assets of a Cash Generating Unit exceeds its recoverable amount. The recoverable amount is the greater of the net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount rate.



- i) **Provisions, Contingent Liabilities and Contingent Assets**
- (a) Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if :
- i) The Company has a present obligation as a result of past event.
 - ii) A probable outflow of resources is expected to settle the obligation.
 - iii) The amount of obligation can be reliably estimated and
 - iv) Reimbursements expected in respect of expenditure required to settle a provision are recognized only when it is virtually certain that the reimbursements will be received.
- (b) Contingent liability is disclosed in the case of :
- i) A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation and
 - ii) A possible obligation, of which the probability of outflow of resources is remote.
- (c) Contingent Assets are neither recognised nor disclosed.
- (d) Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.
- j) **Prior Period Items**
The expenditure and income pertaining the prior period are shown under the respective heads of accounts in the Profit and Loss Account.
- k) **Other Accounting Policies**
Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles.
- 1.2 **Contingent liabilities and commitments :**
- (a) **Contingent liabilities**
- i) For A.Y. 2004-05, A.Y. 2006-07, A.Y. 2007-08 and A.Y. 2008-09 the income tax authorities were of the view that lease rental income as well as interest income were to be taxed under the head "Income from Other Sources" and accordingly assessment orders were passed and demand of Rs. 31,95,635/- Rs. 12,22,300/-, Rs. 19,97,703/- and Rs. 16,50,030 respectively have been raised. The company is disputing the same. In all these cases, appeals of the company in THE HIGH COURT OF PUNJAB AND HARYANA at CHANDIGARH against the orders of ITAT are pending.
 - ii) For A.Y. 2009-10 the tax authorities were of the views that lease-rental income as well as interest income was to be taxed under the head "Income from Other Sources" and accordingly assessment order was passed and demand of Rs. 16,89,764 has been raised. The company is disputing the same. The AO has also imposed penalty of Rs. 9,13,222/- U/s 271(1)(c) for the year A.Y. 2007-08. Both these demands are being disputed by the company. Appeals against these demands before the CIT (Appeals), Patiala are still pending.
 - iii) The income tax liabilities for A.Y. 2010-11 and 2011-12 have been calculated on the basis business income earned from the processing of malt on Job Work basis and interest income are taxed under the head of "Profit and Gains from Business or Profession". Tax assessment in these cases is pending.



- iv) For the period 01-10-2003 to 30-06-2009 demand of Rs. 81,20,856/- with penalty has confirmed by the Commissioner, Central Excise, Chandigarh for which the Company has filed Appeals before Excise Tribunal, New Delhi and the same have been stayed on initial payment of Rs. 5 Lac. For the period 01-07-2009 to 31-03-2010 & for the period 01-04-2010 to 31-03-2011 a demand of Rs. 7,36,116 & Rs. 10,03,805/- respectively has also been confirmed by the Additional Commissioner (Audit), CE, Chandigarh for which appeals have also been filed before The Commissioner, CE, Chandigarh which are also pending.
- v) There is no other claim against the company not acknowledged as debts.

(b) Commitments

- i) Estimated amount of contracts remaining to be executed on capital account and not provided for – Nil (previous year Nil).
- ii) The board of Directors of the company has proposed a dividend of Rs. 20/- per equity share of Rs. 100 each on 45,000 equity shares. The proposal is subject to approval of the members of the company in the forthcoming annual general meeting.

1.3 Other Notes**i) Segment Reporting**

The company is a single segment company and therefore, there is nothing to report under Segment Reporting.

(a) List of Related Parties :

Holding company	United Breweries Limited
Managing Director	Mrs. Kanta Labroo
Director	Mr. B.M. Labroo

(b) Details of transactions with Related Parties :

Sr. No.	Particulars	With Holding Co.		With Managing & other directors	
		Y.E. 31-03-2012	Y.E. 31-03-2011	Y.E. 31-03-2012	Y.E. 31-03-2011
1.	Processing Charges Received	8,23,71,331	-	-	-
2.	Excise Duty Recovered	3,32,32,612	-	-	-
3.	Sale of Malt Clums	64,785	-	-	-
4.	Lease Rent for Maltex Plant	-	59,48,234	-	-
5.	Managing Director Remuneration	-	-	7,56,200	-
6.	Contribution for Provident Fund for Managing Directors	-	-	90,744	-
7.	Rent paid for MD accommodation	-	-	42,900	-
8.	Meeting Fee to Directors	-	-	14,000	18,000
9.	Travelling Expenses reimbursed to Directors	-	-	2,09,151	38,099
10.	Expenses incurred on their behalf during the year	28,82,073	-	-	-
11.	Expenses incurred on behalf of the Co. during the year	1,03,85,132	-	-	-
12.	Trade receivable at the reporting date	1,22,65,451	1,36,46,615	-	-

**ii) Details of foreign exchange transactions :**

(a) Value of imports calculated on CIF basis :	
Components and spare parts :	Nil (Previous year Nil)
Capital goods	Nil (Previous year Nil)
(b) Earnings in foreign exchange on FOB basis :	
Export of goods/services	Nil (Previous year Nil)
Other Income	Nil (Previous year Nil)



**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS
FOR THE YEAR ENDED 31ST MARCH, 2012**

Particulars	As on 31.3.2012		As on 31.3.2011	
	Rs.	Rs.	Rs.	Rs.
NOTE-2				
SHARE CAPITAL				
Authorised				
1,00,000 (100,000) Equity Shares of Rs. 100/- each		<u>10,000,000</u>		<u>10,000,000</u>
Issued, Subscribed and Paid up				
45,000 (45,000) Equity Shares of Rs. 100/- each fully paid up (including 32,500 Equity Shares allotted as fully paid up Bonus Shares by capitalisation of General Reserve of Rs. 32,50,000/-)		<u>4,500,000</u>		<u>4,500,000</u>
Reconciliation of shares outstanding				
Equity shares of Rs. 100/- each				
Opening Balance		45,000		45,000
Add : Issued during the year		—		—
Less: Buy back during the year		—		—
Closing Balance		<u>45,000</u>		<u>45,000</u>

Shareholding details above 5% as on the reporting date

Name	No. of shares held	% of shareholding
1. United Breweries Ltd. holding company	22950	51.00%
2. Mr. B.M. Labroo	4406	9.79%
3. Mrs. Kanta Labroo	3370	7.50%

The company has only one class of equity share having per value of Rs. 100 per share.

NOTE-3

RESERVE & SURPLUS

a) Capital Reserve				
As per last Balance Sheet		131,776		131,776
b) General Reserve				
As per Last Balance Sheet	20,037,296		19,635,896	
Add : Transferred from Surplus	<u>900,000</u>	20,937,296	<u>401,400</u>	20,037,296
c) Surplus				
As per last Balance Sheet	2,077,528		994,828	
Add : Profit during the year	3,212,311		2,007,101	
Less : Transfer to General Reserve	900,000		401,400	
Less : Provision for Proposed Dividend	900,000		450,000	
Less : Provision for Tax on Proposed Dividend	<u>146,003</u>	<u>3,343,836</u>	<u>73,001</u>	<u>2,077,528</u>
		<u>24,412,908</u>		<u>22,246,600</u>

Proposed dividend is Rs. 20 on equity share of Rs. 100 each. In the previous year the proposed dividend was Rs. 10 on equity share of Rs. 100 each.



Particulars	As on 31.3.2012		As on 31.3.2011	
	Rs.	Rs.	Rs.	Rs.
NOTE-4				
<u>Other Long Term Liabilities</u>				
Trade Payables		2,310,512		2,392,032
NOTE-5				
<u>Long Term Provisions</u>				
For Income Tax		<u>1,295,277</u>		<u>1,295,277</u>
NOTE-6				
<u>Short Term Borrowings</u>				
From Directors		<u>500,000</u>		<u>650,000</u>
Loan from directors are unsecured, repayable on demand and carries interest @13.25% p.a.				
NOTE-7				
<u>Trade Payables</u>				
Trade Payables		<u>6,784,533</u>		<u>4,865,267</u>
In the above amount include Rs. 1.04,264/- payable to Mohindera Packing Industries a micro small & medium enterprises and the same are no overdue.				
NOTE-8				
<u>Other Current Liabilities</u>				
Payable to Directors		245,829		77,155
TDS & TCS Payable		20,620		20,385
VAT Payable		50,460		—
Advance from Customer		<u>3,906,965</u>		—
		<u>4,223,874</u>		<u>97,540</u>
Advance from customer is received from United Breweries (Malt Division, Patiala) the holding company				
NOTE-9				
<u>Short Term Provisions</u>				
For Income Tax		1,618,563		1,358,617
For Proposed Dividend		900,000		450,000
For Tax on Dividend		146,003		73,001
		<u>26,64,566</u>		<u>1,881,618</u>



Maltex Malsters Limited

44th Annual Report

2011-2012

NOTE-10

Fixed Assets

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 1.4.2011	Additions during the year	Sale/ Discarded during the year	As at 31.3.2012	As at 1.4.2011	For the year	Sale/ Discarded during the year	As at 31.3.2012	AS AT 31.3.2012	AS AT 31.3.2011
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Tangible Assets										
Land (Free hold)	108,854	—	—	108,854	—	—	—	—	108,854	108,854
Buildings	13,960,157	—	—	13,960,157	9,140,836	404,624	—	9,545,460	4,414,697	4,819,321
Plant & Equipments	65,067,652	—	—	65,067,652	56,502,237	1,914,957	—	58,417,194	6,650,458	8,565,415
Motor Vehicles	2,311,399	—	—	2,311,399	2,158,504	27,739	—	2,186,243	125,156	152,895
Furniture & Fittings	447,354	—	—	447,354	434,789	856	—	435,645	11,709	12,565
Office Equipments	62,390	—	—	62,390	36,227	3,639	—	39,866	22,524	26,163
TOTAL (Rs.)	81,957,806	—	—	81,957,806	68,272,593	2,351,815	—	70,624,408	11,333,398	13,685,213
Previous year (Rs.)	81,537,457	420,350	—	81,957,807	65,338,824	2,933,769	—	68,272,593	13,685,213	—



Particulars	As on 31.3.2012		As on 31.3.2011	
	Rs.	Rs.	Rs.	Rs.
NOTE-16				
Cash & Cash Equivalents				
Balance With Bank				
- In Current Accounts	1,657,939		105,086	
- Cash in Hand (as certified)	8,739	1,666,678	17,069	122,155
NOTE-17				
Short-Term Loans & Advances				
Advances recoverable in cash or kind or value to be received and or adjusted		1,868,566		528,850
NOTE-18				
Other Current Assets				
Prepaid Expenses	859,699		86,305	
Advance to Supplier	6,218		—	
Advance Tax and Tax deducted at source	2,925,869	3,791,786	4,176,781	4,263,086
NOTE-19				
Revenue From Operations				
Lease Rental (T.D.S. Rs. Nil, P.Y. Rs. 5,95,724/-)		—		5,948,234
Processing Charges (T.D.S. Rs. 16.48,954, P.Y. Rs. Nil)	115,603,943	—	—	—
Less : Excise Duty	33,232,612	82,371,331	—	—
Other operating revenues		7,732,436	—	—
		90,103,767		5,948,234
Processing charges are towards conversion of Barley into Malt.				
Other operating revenues are sale of production waste's i.e. malt culm, thin barley & old cunney begs.				
NOTE-20				
Other Income				
Interest (T.D.S. Rs. 2,32,960/-, P.Y. Rs. 1,81,493/-)		2,329,588		2,096,312
Interest on Income Tax Refund		406,806		—
Miscellaneous Income		129,239		—
		2,865,633		2,096,312
NOTE-21				
Processing Expenses				
Labour charges		12,997,448		—
Power Fuel & Water Charges		48,674,625		—
Repair & Maintenance - Plant & Machinery		6,758,460		—
		68,430,533		—



Particulars	As on 31.3.2012		As on 31.3.2011	
	Rs.	Rs.	Rs.	Rs.
NOTE-22				
Employee Benefits Expenses				
Salaries, Wages & Bonus		15,276,947		82,120
Employees Welfare Expenses		605,826		88,899
Contribution to Provident Fund & ESI		1,719,207		—
		<u>17,601,980</u>		<u>171,019</u>
NOTE-23				
Finance Costs				
Interest on Loan (Paid to Managing & other Director)		76,506		92,459
Bank charges		55,382		1,241
		<u>131,888</u>		<u>93,700</u>
NOTE-24				
Administrative & Other Expenses				
Travelling & Convenience (including Rs. 2,09,151/- previous year Rs. 38,099/- by Managing & Other Director)		391,187		437,930
Printing & Stationery		95,423		16,074
Postage, Telegram & Telephone		133,384		30,812
Rent		42,900		63,600
Rate & Taxes		118,826		3,000
Electricity Expenses		78,132		80,190
Repair & Maintenance		1,375		99,798
Insurance Expenses		29,567		—
Vehicle Repair & Maintenance		72,403		113,888
Legal & Professional Charges		389,800		64,390
Auditors Remuneration				
For Audit Fee	112,360		13,483	
For Tax Audit	28,090		14,607	
For Certificate & Others	6,103		6,103	
For Reimbursement of Expenses	<u>21,435</u>	167,988	<u>7,873</u>	42,066
Directors Remuneration		756,200		—
Directors Meeting Fee		14,000		18,000
Business Promotion, Selling Expenses		53,470		23,030
Diwali Expenses		210,011		60,440
Interest on Direct Tax		142		2,991
Miscellaneous Expenses		336,842		124,568
		<u>2,891,650</u>		<u>1,180,777</u>



MALTEX MALSTERS LIMITED

Registered Office :
Rauni, Post Box No.45, Patiala (Punjab)

PROXY FORM

I/We.....of.....
in the district ofbeing a Member/Members of the
above named Company hereby appointof.....in
the district ofof failing him of
.....in the district of as
my/our proxy to vote for me/us on my/our behalf at the Forty Fourth Annual General
Meeting of the Company to be held at 11.30 hrs. on Friday, September 21, 2012 and at
any adjournment thereof.

Signed this day of 2012

Signature

Address

.....

.....

**Affix
Re. 1/-
Revenue
Stamp**

NOTE :

- i) The Proxy need not be a member
- ii) The Proxy Form duly signed and stamped should reach the Company's Registered Office atleast 48 hours before the time of the meeting i.e. before 11.30 hrs. on September 19, 2012.

